

PRESIDENTIAL PERMIT PP-69
AUTHORIZING
VERMONT ELECTRIC COOPERATIVE, INC.
TO OPERATE AND MAINTAIN
ELECTRIC TRANSMISSION FACILITIES
AT THE INTERNATIONAL BORDER BETWEEN
THE UNITED STATES AND CANADA
AND SUPERSEDING PRIOR AUTHORIZATION

Background

President Harry S. Truman on October 4, 1945, signed a Presidential Permit authorizing the International Electric Company (IEC), a subsidiary of the Southern Canada Power Company, to operate and maintain electric transmission facilities on the United States/Canada border as described in the following:

"Two three-phase lines operating nominally at 4 kilovolts, 60 cycles, located on the international boundary near Derby Line, Vermont; one three-phase line operating nominally at 48-kV, 60 cycles, located on the international boundary near Derby Line, Vermont; one single-phase line, operating nominally at 4-kV, 60 cycles, located on the international boundary near Derby Line, Vermont; one single-phase line operating nominally at 4-kV, 60 cycles located on the international boundary near Beebe Plain, Vermont; two three-phase lines operating nominally at 4-kV, 60 cycles, located on the international boundary near North Derby, Vermont; and one single-phase line operating nominally at 4-kV, 60 cycles, located on the international boundary near Eagle Point, Vermont." This authorization was for a total of five three-phase

electric power lines and three single-phase electric power lines. All were to be used to import electric energy that had been generated in Canada to supply loads in the extreme northern area of Vermont, or to return electricity to Canada that had been transmitted across the international border at a different point for redelivery to Canada. No connections to facilities operated by a United States utility were identified in this permit. Included as a stipulation in the Permit was a provision that "no substantial changes shall hereafter be made in the facilities and operation authorized by this Permit until such change shall have been approved by the (Federal Power) Commission."

In February 1979, the Economic Regulatory Administration (ERA) staff received information that the Vermont Electric Cooperative (VEC) had in service several electric power facilities crossing the United States/Canada border. From communications with the VEC staff, ERA determined that in 1970 the VEC had purchased all of the facilities of the International Electric Company on the United States side of the border including those lines authorized pursuant to Presidential Permit No. PP-9 issued to the International Electric Company. This action occurred despite a restriction in Article 9 of the Permit that prohibited the transfer of the facilities or the permit without proper authorization. In 1970 the VEC constructed a new distribution structure for its own use at Derby Line also without authorization. This violation of the Executive Order 10485

was further compounded in the fall of 1977 when two new substation transformers were installed and the old 46-kV transformers and 46-kV structure were removed to accommodate a change by Hydro Quebec (the successor to the Southern Canada Power Company) in the line voltage from 46-kV to 24.95-kV. The step-down transformers at the Beebe and North Derby (Eagle Point) delivery points also were changed from 46-kV to 24.95-kV to accommodate the new supply voltage for Hydro Quebec. It appears to the ERA staff that the VEC's violations were due to a lack of knowledge of the Executive Order rather than from the defiance thereof. This conclusion is supported by the expeditious submission of an application for a Presidential Permit once the VEC was informed of the requirements.

The application was filed by the VEC with the Economic Regulatory Administration (ERA) on April 26, 1979. Authority for this activity is Executive Order 10485, as amended by Executive Order 12038, requiring a Presidential Permit for electric power facilities crossing an international boundary.

The Secretary of State by letter dated September 4, 1980, and the Secretary of Defense by letter dated September 12, 1980, favorably recommended that this Permit be granted as hereinafter provided.

Upon consideration of this matter, the ERA finds that the issuance of the Permit, as hereinafter provided, is appropriate and consistent with the public interest.

THE PERMIT

Pursuant to the provisions of Executive Order 10485, as amended, and the Rules and Regulations thereunder (18 C.F.R. 32.50-32.52), permission is hereby granted to the Vermont Electric Cooperative, Inc., to operate and maintain the electric transmission facilities, described in Article 2 below, at the international border between the United States and Canada upon the conditions hereinafter set forth.

Article 1. The facilities herein described shall be subject to all conditions, provisions and requirements of this Permit. This Permit may be modified or revoked by the President of the United States without notice or by the Administrator of the ERA after public notice and may be amended by the ERA on proper application thereto.

Article 2. The facilities covered by and subject to this Permit shall include, in addition to the following facilities, all lands and supporting structures within the rights-of-way occupied by such facilities:

- 1) One three-phase, 60 hertz, 24,950 volt; and
- 2) two single-phase, 14,400-volt overhead electric power

transmission lines crossing the international border between the United States and Canada near Derby, Vermont, and connecting to the electric power facilities operated by Hydro Quebec, a Canadian corporation. The facilities authorized by this Permit are more specifically shown and described in the application and accompanying exhibits filed by the VEC and, in the negative determination of environmental impacts issued by the DOE in this matter.

Article 3. No substantial change shall be made in these facilities or the operation thereof authorized unless and until such change(s) have been approved by the ERA.

Article 4. The VEC shall at all times maintain the facilities, or any part thereof, in a satisfactory condition for the efficient and safe operation of said facilities in the transmission of electric energy.

Article 5. The operation and maintenance of the aforesaid facilities shall be subject to the inspection and approval of a properly designated representative of the ERA, who shall be an authorized representative of the United States for such purposes. The VEC shall allow officers or employees of the United States with written authorization free and unrestricted access into, through and across any lands occupied by said facilities in the performance of their official duties.

Article 6. In the operation and maintenance of the facilities authorized herein, the VEC shall place and maintain suitable structures to reduce to a reasonable degree the possibility of contact or inductive interference between such facilities and any other facilities not owned by the VEC. Grounding of all tower structures shall be in accordance with the American National Standard, National Electric Safety Code, C2, 1977 edition.

Article 7. The VEC shall respond to and evaluate any complaints from nearby residents of radio or television interference possibly caused by operation of the electric power lines. In the case of such complaints, the VEC shall take appropriate action as necessary to mitigate the situation. Only complaints from individuals residing within one-half mile of the center line of the facility shall require mandatory resolution. Written records shall be maintained by the VEC of all complaints received and the corrective actions taken.

Article 8. The VEC shall be liable for all damages occasioned to the property of others by the operation and maintenance of the facilities owned by it and covered by this Permit, and in no event shall the United States be liable therefor.

Article 9. The VEC shall arrange for the installation and maintenance of adequate metering equipment to measure the hourly flow of all electric energy transmitted between the United States and Canada over the afore-described facilities authorized herein; shall make, keep and preserve full and complete records with respect to the movement of such energy; and shall furnish a written report to the ERA, annually on or before February 15, with respect to such transmission of energy, showing the gross amount of kilowatt-hours received from Hydro Quebec, the gross amount of kilowatt-hours transmitted to Hydro Quebec, the maximum hourly rate of transmission in kilowatts, and the consideration paid and received during each month of the preceding calendar year. The VEC shall file with the ERA, in such detail as the ERA shall require, any additional statement or reports with respect to the facilities authorized herein and owned by the VEC; such information will become part of the public record, unless otherwise excepted.

Article 10. Neither this Permit nor the facilities authorized therein nor any part thereof, shall be transferable or assignable, except the event of the involuntary transfer of the facilities by operation of law. The Permit shall automatically continue in

effect for sixty days and then it shall be considered revoked unless an application for a new Permit has been received. Upon receipt of such application the existing Permit shall continue in effect temporarily until a decision is rendered on the pending application.

Article 11. Upon the termination, revocation or surrender of this Permit, the facilities herein authorized, which are owned, connected, operated and maintained by the VEC, shall be removed within such time as the ERA may specify and at the expense of the VEC. Structural foundations and guy anchors shall be removed to a minimum depth of 18 inches below ground level. The right-of-way and access roads shall be allowed to revegetate by natural successional processes, except that the VEC shall grade and seed any areas where necessary. Upon failure of the VEC to remove such facilities or any portion thereof or to complete such restoration, the ERA may direct that such actions be taken and the facilities removed or restoration made at the expense of the VEC, and the VEC shall have no claim for damages by reason of such possession, removal, or repair.

Article 12. This Permit shall be valid upon receipt by ERA of the attached Testimony of Acceptance properly executed.

In Witness Whereof, I, Hazel R. Rollins, Administrator, Economic Regulatory Administration, have hereunto signed my name, this *October 9*, 1980, in the City of Washington, District of Columbia.

A handwritten signature in blue ink, appearing to read "Hazel R. Rollins", is written over a horizontal line.

Hazel R. Rollins
Administrator
Economic Regulatory Administration

IN TESTIMONY OF ACCEPTANCE of all the provisions, conditions
of this Permit, the Vermont Electric Cooperative, this
28th day of *October*, 1980, has caused its name to be
signed and its corporate seal to be affirmed hereto and attested
by *Laura L. D. Howe* its Secretary pursuant to a
resolution of its Board of *Trustees* duly adopted on this
28th day of *October*, 1980. A certified copy of the
resolution is attached hereto.

Vermont Electric Cooperative

J. Douglas Webb
President

Attest

Nora H. Winckler
Asst Secretary